

P. C. Siève Parrott
Director - Regulatory Affairs

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CRANDER OF THE EXECUTIVE OFFICERY

September 23, 1999

14111 Capital Boulevard Wake Forest, NC 27587 Voice 919 554 7039 Fax 919 554 7871 steve.parrott@mail.sprint.com

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE:

Docket No. 99-00585

Tariff to Grandfather and Restructure FONCARD Services

Dear Mr. Waddell:

Attached are the original and thirteen copies of Sprint Communications L.P.'s responses to the Tennessee Regulatory Authority's data request dated September 17, 1999. Please note that we have numbered our responses consistent with the data request even though the numbering scheme is not sequential (i.e. the number 5 was omitted).

If you have questions regarding this information, please contact Kaye Odum at 919-554-5277.

C. Steve Parrott

C: Laura Sykora Kaye Odum Dennis Wagner Lenora Berg

SPRINT COMMUNICATIONS L.P. DOCKET NO. 99-00585 TENNESSEE REGULATORY AUTHORITY DATA R

TENNESSEE REGULATORY AUTHORITY DATA REQUEST DATED SEPTEMBER 17, 1999

CALLED DECLETARY

Question 1: Provide a detailed explanation of Sprint's rationale for grandfathering the following FONCARD Usage Rate, (2) Sprint Sense FONCARD Option A, (3) Sprint Sense FONCARD Option B, and (4) Sprint Sense Stand Alone FONCARD.

Response 1: Sprint's rationale for grandfathering FONCARD Usage Rate, Sprint Sense FONCARD Option A, Sprint Sense FONCARD Option B, and Sprint Sense Stand Alone FONCARD is that all of these FONCARD plans can only be obtained to a related interstate tariff that has already been grandfathered.



SPRINT COMMUNICATIONS L.P. DOCKET NO. 99-00585 NESSEE REGULATORY AUTHORITY DAT.

REQUIRED THE

TENNESSEE REGULATORY AUTHORITY DATA REQUEST 27 67 10 40 DATED SEPTEMBER 17, 1999

EXECUTIVE COCRETARY

Question 2: Are the FONCARD plans listed in Item 1 services that can only be obtained as an add-on to a related interstate tariff that has previously been grandfathered? (Explain your response, cite any section(s) in Sprint's intrastate tariff that classify the FONCARD plans as add-on services, and provide documentation of any related interstate tariff that has previously been grandfathered)

Response 2: Yes. Section 1 and Section 4.1.4 of Sprint's intrastate tariff indicate that these services can only be obtained as add-ons to related interstate tariffs. (Copies of these Sprint tariff pages are attached)

In addition, attached are copies of the interstate tariff pages providing documentation that these FONCARD plans have previously been grandfathered by the FCC.

INTERCITY TELECOMMUNICATIONS SERVICES

1. APPLICATION OF TARIFF

This tariff applies to intercity telecommunications services furnished by Sprint Communications Company ("Carrier") between and among points within the State of Tennessee in conjunction with Carrier's interstate telecommunications services originating and terminating in Tennessee in accordance with the conditions which are set forth below. These services are subject to the available facilities and are provided in conjunction with services under Carrier's federal tariffs.

(N)

ISSUED: 02-17-99

State Tariffs 8140 Ward Parkway Kansas City, Missouri 64114-2006 **EFFECTIVE:** 02-19-99

Field

INTERCITY TELECOMMUNICATIONS SERVICES

4. SERVICE AND RATE DESCRIPTION (continued)

4.1 Message Telecommunications Service (continued)

.4 Sprint Sense Services

Sprint Sense Optional FONCARD is available to Sprint Sense, Sprint Sense Day and Sprint Sense AnyTime* customers who historically incur \$15.00 in total monthly international, interstate, and intrastate FONCARD usage. The intrastate rates associated with the Sprint Sense Optional FONCARD will be applicable in lieu of the customer's underlying Sprint Sense, Sprint Sense Day or Sprint Sense AnyTime* FONCARD rates. All other rates, terms and conditions of the customer's underlying Sprint Sense or Sprint Sense AnyTime* service will apply.

Charges for Sprint Sense FONCARD Option B, Sprint Sense Stand-Alone FONCARD, Sprint Sense College Plan FONCARD, Sprint Sense Optional, FONCARD, Sprint Sense Day, Sprint Sense AnyTimesm, Sprint Sense Home Officesm, Sprint Sense Block of Timesm, and Sprint Sense Residential Toll Free Service II are) applied 24 hours a day, 7 days a week.

Charges for Sprint Sense Dial 1, Sprint Sense Operator Service, Sprint Sense FONCARD Option A and Sprint Sense College Plan Stand-Alone FONCARD are based on the time period (Peak/Off-Peak) at the point of origination of an outbound call or point of termination of an inbound call. Peak and Off-Peak time periods are defined in Section 3.14.

(D)

Sprint Sense is provided as an add-on to Sprint's interstate offering. Directory Assistance is available to Sprint Sense subscribers. Sprint Sense Stand-Alone FONCARD and Sprint Sense College Plan Stand-Alone FONCARD Option A are available to non-Sprint subscribers. All other Sprint Sense Services are available only to those subscribers who have selected Sprint as their primary interexchange carrier.

ISSUED: 05-25-99

EFFECTIVE: 06-28-99

^{*} Effective October 28, 1998, Sprint Sense Optional FONCARD will not be available to new Sprint Sense AnyTime customers.

	TARIFF F	r.c.c.	NO.	1
	Original	page		
2nd	Revised	page'	186.	451
Cancels	lst.	page	186.	451

- 5. RATES AND CHARGES (CONTINUED)
- 5.2 <u>Usage Rates for Sprint Service</u> (Continued)
 - EE. SPRINT 1000 (CONTINUED)
 - 3. <u>Interstate Rates</u>: (Continued)
 - b. Interstate Operator Service: The below listed interstate rate is applicable for operator-assisted calls originating from and terminating to the U.S. Mainland, Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands, Guam and CNMI. The applicable per call placement charge in Section 5.6.8.B will apply.

All Hours: \$0.55 per minute

- c. <u>Interstate FONCARD</u>: The below listed interstate rate is applicable for FONCARD calls originating from and terminating to the U.S. Mainland, Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands, Guam and CNMI.
 - (1) For customers who subscribed to service (C) beginning July 19, 1999, the following rates (C) will apply.

All Hours: \$0.59 per minute

A per call surcharge of \$0.99 will apply.

(2) For customers who subscribed to service between April 10, 1999 and July 18, 1999, the following rates will apply.

All Hours: \$0.50 per minute

No per call surcharge will apply.

(Certain material previously on this page is now on page 186.452)

<u>ISSUED</u>: July 16, 1999 ISSUING OFFICER:
Sprint Communications Company L.P.
Marybeth M. Banks
1850 M Street, N.W., Suite 1110
Washington, D.C. 20036

EFFECTIVE:
July 19, 1999

(C)(I)

(T)

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SPECIALIZED COMMON CARRIER SERVICE

- 5. RATES AND CHARGES (Continued)
- 5.2 <u>Usage Rates for Sprint Service</u> (Continued)
 - L. Sprint Sense (Continued)
 - 3. Interstate Rates
 - a. The below listed interstate rates are applicable for Sprint Sense direct dial calls originating from and terminating to all domestic locations (including Hawaii, Puerto Rico and the U.S. Virgin Islands but excluding Alaska for origination).

Per Minute

Peak \$0.25 Off-Peak \$0.10

b. The below listed interstate rates are applicable for Sprint Sense FONCARD and operator service calls originating from and terminating to all domestic locations (including Hawaii, Puerto Rico and the U.S. Virgin Islands but excluding Alaska for origination). The applicable per call surcharge for operator services (§ 5.6.8.8) and FONCARD (§ 5.6.9.b) will apply.

(T)

(T)

Per Minute

Peak \$0.25 (I) Off-Peak \$0.10

<u>ISSUED</u>: April 12, 1996

ISSUING OFFICER:
Sprint Communications Company L.P.
Marybeth M. Banks
1850 M Street, N.W., Suite 1110
Washington, D.C. 20036

EFFECTIVE: April 15, 1996

SPECIALIZED COMMON CARRIER SERVICE

- 5. <u>RATES AND CHARGES</u> (Continued)
- 5.2 <u>Usage Rates for Sprint Service</u> (Continued)
 - L. <u>Sprint Sense</u> (Continued)
 - 3. <u>Interstate Rates</u>
 - a. The below listed interstate rates are applicable for Sprint Sense direct dial calls originating from and terminating to all domestic locations (including Hawaii, Puerto Rico and the U.S. Virgin Islands but excluding Alaska, Guam and CNNI for origination).

-Per Minute

Peak \$0.25 Off-Peak \$0.10

b. The below listed interstate rates are applicable for Sprint Sense FONCARD and operator service calls originating from and terminating to all domestic locations (including Hawaii, Puerto Rico and the U.S. Virgin Islands but excluding Alaska, Guam and CNMI for origination). The applicable per call surcharge for operator services (§ 5.6.8.8) will apply. A \$0.30 per call surcharge for FONCARD will apply.

(C)(R) (C)

(1) Sprint Sense FONCARD

Per Minute

Peak \$0.30 (I) Off-Peak \$0.30 (I)

(2) Sprint Sense Operator Service

Per Minute

Peak \$0.25 Off-Peak \$0.25

<u>ISSUED</u>: July 31, 1997

ISSUING OFFICER:
Sprint Communications Company L.P.
Marybeth M. Banks
1850 M Street, N.W., Suite 1110
Washington, D.C. 20036

EFFECTIVE: August 1, 1997

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SPECIALIZED COMMON CARRIER SERVICE

- 5. <u>RATES AND CHARGES</u> (Continued)
- 5.2 <u>Usage Rates for Sprint Service</u> (Continued)
 - L. <u>Sprint Sense</u> (Continued)
 - 3. <u>Interstate Rates</u>
 - a. The below listed interstate rates are applicable for Sprint Sense direct dial calls originating from and terminating to all domestic locations (including Hawaii, Puerto Rico and the U.S. Virgin Islands but excluding Alaska, Guam and CNNI for origination).

Per Minute

Peak \$0.25 Off-Peak \$0.10

b. The below listed interstate rates are applicable for Sprint Sense FONCARD and operator service calls originating from and terminating to all domestic locations (including Hawaii, Puerto Rico and the U.S. Virgin Islands but excluding Alaska, Guam and CNMI for origination). The applicable per call surcharge for operator services (§ 5.6.8.B) will apply.

(1) Sprint Sense FONCARD

(a) For customers who subscribed to service (C) beginning July 19, 1999, the following (C) rates will apply.

	<u>Per Minute</u>	
Peak	\$0.59	(I)
Off-Peak	\$0.59	(I)

A per call surcharge of \$0.99 will apply. (C) (I)

(Certain material previously on this page is now on page 186.92.1.1)

<u>ISSUED</u>: July 16, 1999 ISSUING OFFICER:
Sprint Communications Company L.P.
Marybeth M. Banks

EFFECTIVE:
July 19, 1999

1850 M Street, N.W., Suite 1110 Washington, D.C. 20036

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	Original	page	186.92.1.1
	_ Revised	page	
Cancels		page	

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SPECIALIZED COMMON CARRIER SERVICE

- RATES AND CHARGES (Continued) 5.
- Usage Rates for Sprint Service (Continued)
 - Sprint Sense (Continued) L.
 - Interstate Rates
 - ъ. (Continued)
 - Sprint Sense FONCARD (Continued) (1)
 - For customers who subscribed to service prior to July 19, 1999, the following rates will apply.

Per Minute \$0.50 \$0.50

No per call surcharge will apply.

(2) Sprint Sense Operator Service

Per Minute

\$0.55 Peak \$0.55 Off-Peak

Peak

Off-Peak

Certain material on this page previously was on page 186.92.1 (M)

ISSUED: July 16, 1999

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Sprint Communications Company L.P. Marybeth M. Banks 1850 M Street, N.W., Suite 1110 Washington, D.C. 20036

EFFECTIVE: July 19, 1999

ISSUING OFFICER:

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•	Original	page	
3rd_	Revised	page	186.92.2
Cancela	2nd	page	186 92 2

- (Continued) RATES AND CHARGES
- Usage Rates for Sprint Service (Continued) 5.2
 - Sprint Sense (Continued) L.
 - Interstate Rates (Continued)
 - The below listed interstate rates are applicable for Standalone FONCARD service calls originating from and terminating to all domestic locations (including Hawaii, Puerto Rico, the U.S. Virgin Islands and Alaska (for customer-dialed calls only) but excluding Guam and CNMI for origination). For operator-assisted FONCARD calls, the Sprint Sense operator service rates in §5.2.L.3.b(2) will apply. The applicable per call surcharge for operator servies (§5.6.8.B) will apply.

Per Minute

\$0.59 (I) All Hours (C) (I) A per call surcharge of \$0.99 will apply. (T) Standalone FONCARD: For customers who subscribed to Standalone FONCARD in Section 5.2.L.3.c above between April 5, 1999 and July (C) (C) 18, 1999, the following rates apply. Per Minute (T)

\$0.50

No per call surcharge will apply.

All Hours

(Certain material previously on this page is now on page 186.92.3)

ISSUED: July 16, 1999

ISSUING OFFICER: Sprint Communications Company L.P. Marybeth M. Banks 1850 M Street, N.W., Suite 1110 Washington, D.C. 20036

EFFECTIVE: July 19, 1999

	TARIFF I	F.C.C.	. NO. 1
	Original	page	186,90
	_ Revised	page	
Cancels		page	

5. RATES AND CHARGES (Continued)

5.2 <u>Usage Rates for Sprint Service</u> (Continued)

L. Sprint Sense

(N)

1. Description

Sprint Sense is a domestic flat rated Dial-1 service which is non-distance sensitive. Sprint Sense has peak and off-peak calling periods and rates.

2. <u>Time Periods</u>

Peak: Off-Peak: 7AM-7PM† (MONDAY - FRIDAY) 7PM-7AM† (MONDAY - FRIDAY)

ALL HOURS (SATURDAY & SUNDAY)

To but not including

3. <u>Interstate Rates</u>

The below listed interstate rates are applicable for Sprint Sense direct dial and FONCARD calls originating from and terminating to all domestic locations (including Hawaii, Puerto Rico and the U.S. Virgin Islands but excluding Alaska for origination).

Per Minute

Peak

\$0.22

Off-Peak

\$0.10

4. Other Rates

A Sprint Sense customer will incur the tariffed rates herein for all other services used (ex: International Dial-1, PublicFON, Operator Services, etc.), however, for operator services rates only, the Day rates apply (for Peak calling) and Night/Weekend rates apply (for Off-Peak calling).

5. Monthly Recurring Charge

A 3.00 monthly recurring charge applies. The MRC will be waived when a Sprint Sense customer's total monthly usage (all usage contributes, including Directory Assistance) reaches \$25.00.

ISSUED:

January 6, 1995

ISSUING OFFICER:

Sprint Communications Company L.P.

Marybeth M. Banks

1850 M Street, N.W., Suite 1110

Washington, D.C. 20036

(N)

EFFECTIVE: January 9, 1995

	TARIFF I	F.C.C.	NO.	1
	Original	page		
9th	Revised	page	186.	254
Cancels	8th	page	186.	254

- 5. RATES AND CHARGES (Continued)
- 5.2 Usage Rates for Sprint Service (Continued)
 - Q. Sprint Sense AnyTime (Continued)
 - З. Interstate Rates (Continued)
 - b. Interstate Toll Free: The rates, terms and conditions in Section 5.6.30, Option A apply.
 - Interstate Operator Service: The below listed c. interstate rate is applicable for operator-assisted calls originating from and terminating to the U.S. Mainland, Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands, Guam and CNMI (excluding Alaska, Guam and CNMI for call origination). The applicable per call placement charge in Section 5.6.8.B will apply.

All Hours - \$0.55 per minute

- d. Interstate FONCARD*: The below listed interstate rate is applicable for FONCARD calls originating from and terminating to the U.S. Mainland, Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands, Guam and CNMI (excluding Alaska, Guam and CNMI for call origination).
 - For customers subscribed to service beginning (1) July 19, 1999, the following rates will apply.

(C)

All Hours - \$0.59 per minute

A per call surcharge of \$0.99 will apply.

(C)(I)

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(T)

(T) (C)

(2) For customers who subscribed to service between April 5, 1999 and July 18, 1999, the following rates will apply.

All Hours - \$0.50 per minute

No per call surcharge will apply.

Customers will receive the FONCARD rate in effect at the time of customer enrollment.

(Certain material previously on this page is now on page 186.255) ISSUED: ISSUING OFFICER:

July 16, 1999

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Sprint Communications Company L.P. Marybeth M. Banks 1850 M Street, N.W., Suite 1110 Washington, D.C. 20036

EFFECTIVE: July 19, 1999

Question 3: Does Sprint plan to offer an open enrollment for a limited period of time to permit additional customers to sign on before the selected FONCARD plans are discontinued? (Explain your response.)

Response 3: Since these FONCARD plans are being grandfathered as interstate add-on services, an open enrollment period has not been previously identified by the TRA as a requirement for grandfathering this type service. (Reference Docket 97-07637, AT&T Tariff to Grandfather Uniplan, attached) In addition, an open enrollment period on an intrastate basis would be in conflict with the tariff that has been grandfathered in the interstate tariffs.

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT NASHVILLE, TENNESSEE

JULY 29, 1999

IN RE:)	
AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES TARIFF TO GRANDFATHER UNIPLAN SERVICE AND THE UNIPLAN FLATRATE PRICING OPTION))))	DOCKET NO. 97-07637

ORDER APPROVING AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES' TARIFF TO GRANDFATHER UNIPLAN SERVICE AND THE UNIPLAN FLATRATE PRICING OPTION

This matter came before the Tennessee Regulatory Authority ("Authority") at the regularly scheduled Authority Conference held March 16, 1999, for consideration of Tariff 97-07637. This tariff was originally filed with the Authority on December 19, 1997, for the purpose of grandfathering the UniPlan Service and the UniPlan FlatRate Pricing Option.

UniPlan Service allows customers to make and receive calls from multiple locations and receive one monthly bill for all calls. This filing is an add-on to the interstate AT&T UniPlan Service.

On January 16, 1998, the Consumer Advocate Division (CAD) filed a Petition to Intervene in this matter. The CAD's Petition was considered and granted at the February 3, 1998, Directors' Conference and the tariff was suspended for sixty (60) days. The CAD intervened due to concerns relative to discrimination between existing and new customers. The CAD requested that the company file additional information regarding such services to allow the tariff to be properly evaluated.

By Order dated May 7, 1998, the Hearing Officer re-suspended the tariff until such time as a decision is rendered in this matter.

AT&T filed its brief on April 27, 1998 stating that grandfathering is appropriate for these services because they may only be obtained as an add-on to the related interstate tariff which has already been grandfathered. Based on the information contained in AT&T's brief, the CAD withdrew its opposition to this tariff by its letter dated February 19, 1999. The CAD's decision not to oppose the AT&T UniPlan tariff is based on AT&T's representations that:

- 1) In 1997, AT&T filed a tariff change with the FCC that grandfathered its UniPlan Service Flat Rate Pricing Option; and
- 2) By the terms of the Tennessee UniPlan tariffs, intrastate service under the tariffs could only be obtained as an add-on to AT&T's interstate tariffs. AT&T's Tennessee offerings of the subject services were, and are, available only to subscribers to the related interstate offerings and were integrated therewith. As of January 1, 1998, as a result of AT&T's FCC tariff changes, the interstate offerings are no longer available to new customers, but remain available to existing subscribers to these services.

On March 3, 1999, AT&T filed the affidavit of Angela Copeland reiterating that the interstate tariff had been grandfathered and that the Tennessee tariff offering could only be obtained as an add-on to the interstate tariff.

Since UniPlan Service is no longer available on an interstate basis to new customers, effectively it has been grandfathered in the intrastate jurisdiction. Therefore, the Directors unanimously approved AT&T's tariff change to grandfather UniPlan Service.

IT IS THEREFORE ORDERED:

- 1. That this tariff be approved;
- 2. That any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from and after the date of this Order; and
- 3. That any party aggrieved by the Authority's decision in this matter has the right to judicial review by filing a Petition For Review with the Tennessee Court of Appeals within sixty (60) days from and after the date of this Order.

Melvin I Malone, Chairman

H. Lynn Greer, Jr., Director

Sara Kyle, Director

ATTEST:

K. David Waddell, Executive Secretary

Question 4: In Sprint's Response 4.c., dated September 2, 1999, to Question 4 of the TRA's Data Request dated August 25, 1999, Sprint stated that "[I]f at the end of the grandfathering period, customers would be affected by an increase, notification will be made in accordance with TRA Rule 1220-4-2-.55(e)(2)."

TRA Rule 1220-4-2-.55(e)(2) provides:

Prices may be increased thirty (30) days after the proposed price list filing date And after approval by the [Authority], provided, however that prices for the DDD Category of services shall not be increased above any [Authority] prescribed price Cap. Affected customers shall be notified by direct mail or by publication of a Notice in a newspaper of general circulation in the affected service area thirty (30) days prior to the effective date of any rate increases. A copy of such notice shall be filed with the [Authority] concurrent with the tariff filing.

Is it Sprint's position that notification of rate increases to customers pursuant to TRA Rule 1220-4-2-.55(e)(2) sufficiently provides written notification to existing customers still enrolled in a grandfathered plan within a reasonable time prior to the plan's proposed termination? (Explain your response)

Response 4: Sprint's Response 4.c. dated September 2, 1999, to Question 4 of the TRA's Data Request dated August 25, 1999 was in the context of the question related to the tariff filing by UTSE to obsolete Opportunity 800 service. In view of the documentation provided in Question 1 and Question 2 of this data request, Sprint does not believe that the Tennessee Regulatory Authority has previously identified customer notification as a requirement for the grandfathering of an interstate add-on service. Reference Docket 97-07637, AT&T Tariff to Grandfather Uniplan, and the requirements therein.

Question 6: Are there any circumstances in which it would be appropriate for an IXC to grandfather a service properly classified in the DDD service category per TRA Rule 1220-4-2-.55(d) and contemporaneously therewith introduce at a higher rate a functionally equivalent service provisioned in substantially the same manner as the DDD service that was grandfathered? (Explain your response)

Response 6: First, as indicated in Sprint's Response 1 to TRA Data Request dated August 25, 1999, FONCARD services are not part of a DDD service category. However, consistent with Sprint's comments before the TRA in the Rulemaking Hearing of September 16, 1999 regarding IXC Rules, it is Sprint's position that the competitive nature of the IXC market has reached a level where pricing constraints are no longer appropriate but rather the market is and will continue to determine price and packaging. In a competitive market companies are able to offer varying prices by packaging and repackaging services to better align with customer telecommunication needs. The market dictates that certain aspects of a service are de-emphasized and new products are introduced. In such a market, it is conceivable that within packaged services an individual rate for a service would be grandfathered and a higher rate for functionally an equivalent service is introduced—all as part of a total package of services provided in response to marketplace demand.

Question 7: Will Sprint agree to amend its proposed tariff to include the grandfathering terms associated with the selected FONCARD plans (e.g. nature and timing of grandfathering period; limited open enrollment period, if any; customer notices, if any; etc.)?

Response 7: Sprint believes the appropriate grandfathering terms associated with the selected FONCARD plans were indicated in Docket 97-07637, AT&T Tariff to Grandfather Uniplan. Sprint will agree to amend its tariff to include appropriate grandfathering terms associated with these FONCARD plans.